## IN THE SPECIFICATION

Page 39, lines 3-21, please replace the Abstract with the following new Abstract. The language is supported on page 10 lines 6-14 of the Summary.

## Abstract of the Disclosure

A system and method for multiple channel statistical re-multiplexing preferably comprises a plurality of encoders each coupled to a respective channel and producing a compressed channel, a statistical re-multiplexer and a transport medium. This statistical remultiplexer preferably has a plurality of inputs and an output for combining the input compressed channels into a single output bit stream. The statistical multiplexer further buffers, a scheduling table and a controller. Each of the buffers receives and stores compressed data from a respective encoder for a respective channel. The output of each buffer is coupled to a respective de multiplexer that re encodes the compressed channel in response to control signals from the scheduler & multiplexer. The scheduler & multiplexer receive the re-multiplexed streams from the re-multiplexers, and combine then into a single stream that matches the bandwidth of the physical transport medium. The present invention also includes a method for determining a sending rate for each channel, determining whether the combined bandwidth requirement of all the channels exceeds the channel capacity; performing rate adjustment by remultiplexing the channels if the combined bandwidth requirement of all the channels exceeds the channel capacity; scheduling the channels for transmission, combining the channels and transmitting the combined channels over the transport medium.

Methods and apparatus are provided for statistical re-multiplexing of multiple channels.

Mechanisms are provided to manipulate and/or recode multiple compressed bit streams such that a resulting bit stream has a rate matching adjusted based on the allowable output channel rate.

Loss-less transmission of compressed video bit streams can be output in real-time. In one example, the system includes encoders and demultiplexers on multiple channels. The demultiplexers are connected to a scheduler and multiplexer to provide an output bit stream at a given channel rate.